

Board of Review and Assessment Notice Information

THE BOARD: The Board of Review consists of 3 to 5 citizens that live in the City or Township. These people are not employed by the City or Township and do not have a vested interest in agreeing or disagreeing with the Assessor or the taxpayer. Their only job is to hear appeals to the VALUE that has been determined by the Assessor. They have no authority to do anything else! They do not have any control of tax rates or tax amounts.

THE ASSESSMENT NOTICE: Generally a person will decide if they are going to appeal their value once they receive the Assessment Notice. This typically arrives in late February or early March. It shows the new values that have been determined by the Assessor. At this point the Assessor's job is done and the authority rests with the Board of Review to change values if just cause is shown by the Taxpayer/Owner.

Example of an assessment notice.

Michigan Department of Treasury, STC
1019 (Rev. 12/05)

This form is issued under the authority of PA. 206 of 1893, Sec. 211.24 (c), as amended. This is a model assessment notice to be used by the local assessor. **L-4400**

Notice of Assessment, Taxable Valuation, and Property Classification

Tax and Assessing Information available online at www.charlottemi.org

<p>FROM</p> <p>ASSESSORS OFFICE RANDY JEWELL ASSESSOR 111 E. LAWRENCE AVE. CHARLOTTE MI. 48813</p> <p style="text-align: right; font-size: x-small;">Ph (517) 543-8844 Fax (517) 543-8845</p>	<h2 style="margin: 0;">THIS IS NOT A TAX BILL</h2>
<p>NAME AND ADDRESS OF OWNER OR PERSON NAMED ON ASSESSMENT ROLL:</p> <p>JEWELL, RANDY L & CYNTHIA L 128 WEDGEWOOD DR CHARLOTTE MI 48813</p>	<p>PROPERTY IDENTIFICATION: (Parcel Code required. Property address and legal description optional.):</p> <p style="text-align: center;">200-052-000-270-00</p> <p style="text-align: center;">128 WEDGEWOOD DR</p>
<p>THIS PROPERTY IS CLASSIFIED AS: 401 (RES IMP)</p>	
<p>PRIOR YEAR'S CLASSIFICATION IF DIFFERENT:</p>	

Proposal A, passed by the voters on March 15, 1994, places a limit on the value used to compute property taxes. Starting in 1995, your property taxes were calculated on Taxable Values (see line 1 below). If there is a number entered in the "Change" column on the right side of the Taxable Value line, that number is not your change in taxes. It is the change in Taxable Value. Prior to 1995, your taxes were calculated on State Equalized Value (see line 4 below). State Equalized Value (SEV) is the Assessed Value multiplied by the Equalization Factor, if any (see line 3 below). State Equalized Value must approximate 50% of market value. IF THERE WAS A TRANSFER OF OWNERSHIP on your property in 2007, your 2008 Taxable Value will be the same as your 2008 State Equalized Value. Please see line 5 below regarding Transfer of Ownership on your property. IF THERE WAS NOT A TRANSFER OF OWNERSHIP on your property in 2007, your 2008 Taxable Value is calculated by multiplying your 2007 Taxable Value (see line 1 below) by 1.023 (which is the Inflation Rate Multiplier for the current year). Physical changes in your property may also increase or decrease your Taxable Value. Your 2008 Taxable Value cannot be higher than your 2008 State Equalized Value.

This change in taxable value will increase your 2008 tax bill by approximately: \$63

	PRIOR AMOUNT YEAR: 2007	CURRENT AMOUNT YEAR: 2008	CHANGE
1. TAXABLE VALUE (Current amount is tentative):	85,967	87,591	1,624
2. ASSESSED VALUE:	87,756	87,591	-165
3. TENTATIVE EQUALIZATION FACTOR: 1.000			
4. STATE EQUALIZED VALUE (Current amount is tentative):	87,756	87,591	-165

5. There WAS/WAS NOT a transfer of ownership on this property in 2007. WAS NOT

If you believe that these values, the property classification, or the information on line 5 is incorrect you may protest to the Local Board of Review, which will meet at:
MARCH 10, 2008 FROM 9:00AM TO NOON AND 1:30PM TO 4:30PM
MARCH 11, 2008 FROM 1:30PM TO 4:30PM AND 6:00PM TO 9:00PM
BOTH MEETINGS WILL BE HELD IN THE CONFERENCE ROOM IN THE BASEMENT OF CITY HALL AT 111 E LAWRENCE. APPOINTMENTS ARE REQUIRED. PLEASE CALL 517-543-8844 TO SET UP A TIME TO BE HEARD.

A nonresident may protest to the Board of Review by letter. Letter appeals are to be accompanied by a completed Board of Review petition form (form L-4035 or an alternate petition form used by the local unit of government). The petition form approved by the State Tax Commission (form L-4035) is available at www.michigan.gov/treasury. When you reach the site, click on Property Tax Forms, then click on Property Tax - Board of Review.

% Exempt As "Homeowners Principal Residence":	100.00 %
% Exempt As "Qualified Agricultural Property":	0.00 %

The denial of an exemption from the local school operating tax for "qualified agricultural properties" may be appealed to the local Board of Review. The denial of an exemption from the local school operating tax for a "homeowner's principal residence" may be appealed to the Michigan Tax Tribunal. Protest at the Board of Review is necessary to protect your right to further appeals to the Michigan Tax Tribunal for valuation and exemption appeals and/or the State Tax Commission for classification appeals. Properties classified Commercial Real, Industrial Real or Developmental Real may be appealed to the regular March Board of Review or to the Michigan Tax Tribunal prior to May 31. Commercial Personal, Industrial Personal, or Utility Personal Property may be appealed to the regular March Board of Review or to the Michigan Tax Tribunal prior to May 31 if a personal property statement was filed with the local unit prior to the commencement of the Board of Review as provided by MCL 211.19.

HOMEOWNERS PRINCIPAL RESIDENCE AFFIDAVIT INFORMATION REQUIRED BY PA. 247 OF 2003. If you purchased your principal residence after May 1 last year, to claim the principal residence exemption, if you have not already done so, you are required to file an affidavit on or before May 1.

This notice contains critical information that each and every one of us should understand.

1) On Line #1 you will see the previous year's taxable value, the current year, and the net change. The amount of "Change" is not the change in tax dollars but rather the change of value due to the CPI (Consumer Price Index or Inflation Rate). This change does however have an effect on your tax bill. The estimated change in your actual tax bill is shown directly above Line #1. The change indicated on Line #1 can be affected by reasons other than a change in the CPI such as, new construction, a sale in

the previous year, or demolition of a building. By law, the taxable value will increase by the CPI or 5% which ever is less. However, the taxable value can never be higher than the SEV.

The CPI is calculated by the State of Michigan and is distributed to the local government units throughout the State in October of each year.

2) On Line #2 and #4 is the Assessed Value and SEV which are the same except under extreme circumstances. These numbers represent 50% of the estimated market value as determined by the Assessor. These numbers do not affect your property tax bill.

3) Line #5 tells you if there was a transfer of ownership in the previous year. This is important because a transfer will cause the taxable value to uncap, or to increase up to an amount equal to the SEV which in some cases can be quite substantial.

4) Just under Line #5 you will see information regarding the Board of Review. If you prefer to appeal by letter rather than in person you may do so.

5) Further down the page you will see one line showing whether or not you are receiving the "Homeowners Principle Residence Exemption", and one line showing the "Qualified Agricultural Exemption".

6) The last paragraph has information regarding the appeal procedure for the different classes of property.

THE ACTUAL APPEAL PROCESS: Each year any owner or representative of an owner may appeal the VALUE of their property as determined by the Assessor. This process usually begins in early March after the new assessment notices have been mailed. If the owner is allowing someone to represent them in the appeal process a letter authorizing that person must be submitted to the Board prior to the appeal being heard.

The appeal process mainly involves the dispute over the Assessed Value of the property. Because the Assessed Value is 50% of the estimated market value you simply double the Assessed Value to find the estimated market value as determined by the Assessor. If you decide to appeal there are several things that need to be done prior to the hearing date.

- 1) **Complete the Petition Form. It is important that you bring the completed form with you to the Board.** (click here for the form http://www.michigan.gov/documents/l4035f_2658_7.pdf) Fill out only Page 1, of the Petition. (Page 2 is for the Board of Review only) It is important to completely fill out the petition. Make sure you enter your estimate of the market value of the property.
- 2) **Call for an appointment:** If you do not make an appointment there will not be a reservation in front of the Board and you may have to wait a considerable amount of time before a time is available between the scheduled appointments or at the end of the day.
- 3) Prepare information that supports your estimate of the market value. This could be an appraisal, or a listing of recently sold properties that are similar to yours. Remember, the Board of Review is there to hear your appeal, they do not determine value on their own, the assessor has already done that. If you do not submit good supporting documentation showing why the value should be lowered your chances of receiving a favorable decision are quite small. According to the property tax laws, the values on the assessment notice are considered correct, unless proven by the property owner to be something different. It is solely the Board of Reviews discretion to make the decision based on the information submitted.

- 4) A person may also appeal the Taxable Value. This however is a bit more complicated as the Board may not have a choice in the matter depending on the circumstances. As stated earlier, the Taxable Value will increase by the CPI or 5% whichever is less each year. This is State law and only a few things can change it.

Example 1: If you simply appeal the Taxable value and the assessor has correctly calculated this value as mandated by State law then the Board would have no choice but to deny the appeal.

Example 2: If you appeal the Assessed Value and the Taxable Value. If your AV is 50,000 and your TV is 25,000 and you successfully argue the value of your home is only 80,000 then your corrected AV would be 40,000. However, since the TV is still lower than the AV the change made by the Board would NOT change your TV. As long as the AV is higher than the TV, then the TV will still increase as per State law.

Example 3: If you purchased your property in the previous year your AV and TV will be equal in the current year. In this case if you successfully argue and your AV is lowered by the Board then the TV must also be lowered because it cannot be higher than the AV.

Example 4: If you appeal the fact that a building has been removed and the assessor did not make the change then both the AV and TV will change because of the value loss of the building having been removed.

- 5) When you get to the hearing you will simply have the opportunity to state your case. The Board may ask some questions but they will mainly listen to your statements and then later review the information you submitted. Because of the limited amount of time available they will review your documentation when they have time and a decision will be made at that time. Decisions are not generally made on the spot. Discussion and deliberation will take place at some point. Their decision will be sent to you by the Assessor in a few weeks.
- 6) **The Board of Review and the Assessor have no authority to adjust your property tax. The discussion of property tax at the Board of Review hearings is not productive because the Boards sole purpose is the hear appeals to the VALUE of your property, not how much tax you may owe. Tax rates are voted and there is no appeal process specifically for taxes! The result of your appeal may be a lowering of your taxes, but that would be because of the value change which again is the function of the Board.**
- 7) If you are not satisfied with the decision of the Board you may further your appeal to the Michigan Tax Tribunal. Residential properties must be appealed to the local Board of Review in order to continue the appeal process to the Tax Tribunal. Commercial, Industrial, Utility and Personal may appeal directly to the Tax Tribunal. The Tax Tribunal will be looking for the same supporting documentation as the local Board of Review. Information for the Tax Tribunal may be found on the web using the following link <http://www.michigan.gov/taxtrib/> or by calling 517-373-3003.